

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company Submitting Electric Rate Proposal for Direct Access Services Described in Decision 97-10-087.	Application 99-06-033
Application of Southern California Edison Company for Authority to Establish Direct Access Service Fees for Competitive and Regulated Services.	Application 99-06-040
Application of San Diego Gas & Electric Company for Authority to Implement Discretionary, Non-Discretionary, and Exception Service Fees.	Application 99-06-041
Application of Pacific Gas and Electric Company Submitting Electric Revenue Cycle Services Cost and Rate Proposals in Compliance with Decision 98-09-070.	Application 99-03-013
Application for Commission Consideration of Post-Transition Proposals for Long-Run Marginal Cost Pricing and Geographic De-Averaging of Revenue Cycle Services.	Application 99-03-019
Application of Southern California Edison Company (U 338-E) Relating to Long-Run Marginal Costs for Unbundled Metering and Billing Services.	Application 99-03-024

## **ADMINISTRATIVE LAW JUDGE'S RULING REGARDING DISPOSITION OF PROCEEDING**

### **Summary**

Comments regarding the appropriate disposition of this proceeding may be filed by applicant utilities. Comments are due on November 8, 2002. Other parties may file comments 14 days thereafter.

### **Background**

This proceeding was initiated by applications that the utilities filed, pursuant to Commission direction, to consider proposals regarding the pricing of revenue cycle services (RCS)<sup>1</sup> and proposals for direct access service fees (DASF). As the hearings were concluded and briefs and reply briefs were filed in mid-year 2000, the California energy crisis arose and worsened, and occupied an increasing share of the Commission's resources. As a result, activity in this proceeding was suspended.

### **Discussion**

An extended period of time has passed since the consolidated applications that constitute this proceeding were heard and briefed. During this period, electricity market events and legislative and regulatory responses to those events have undoubtedly impacted the resolution of issues in this proceeding. Among the significant responses is the suspension of direct access ordered pursuant to mandate of the Legislature.<sup>2</sup> In view of such developments, it appears that it

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<sup>1</sup> RCS includes such activities as meter reading, other meter services, and billing services.

<sup>2</sup> See Water Code Section 80110, added by Assembly Bill 1 from the First Extraordinary Session of 2001. Pursuant to that legislation, by Decision (D.) 01-09-060 the Commission

*Footnote continued on next page*

would be appropriate to dismiss these applications without prejudice. This would allow for the establishment of up-to-date pricing policies for RCS and DASF, to the extent it is necessary or desirable to do so, in more current proceedings.

While dismissal of the applications appears to be reasonable and appropriate, I recognize the significant time and effort that applicants and other parties that have put into this proceeding. I, therefore, ask for comments on the proposed dismissal of these applications along with other alternatives for disposition of the proceeding. Those alternatives include, but are not necessarily limited to, the following:

- Issuance of a proposed decision based on the current record. As noted earlier, the record is more than two years old. California has suffered through a catastrophic energy crisis since the hearings were held, and the State's response to the crisis has impacted the provision of direct access. Those supporting this alternative should demonstrate in their comments that the record is sufficiently current notwithstanding the passage of time since the case was heard and the development of new policies affecting direct access, including the provision of revenue cycle services.
- Establishment of a schedule for submission of supplemental testimony and hearings to update the record. This would allow parties to provide updated factual information so that the Commission would be assured of an up-to-date record. A variation of this alternative would be the establishment of a schedule for supplemental briefing. This variation would allow parties to advise the Commission of new arguments in the light of new legislative and regulatory policies. Those supporting either variation of this alternative should demonstrate in their comments that updating the

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suspended the right to enter into new contracts or agreements for direct access effective September 20, 2001.

record with new testimony and/or supplemental briefs is appropriate and procedurally more efficient than considering pricing for RCS and for DASF, to the extent necessary or desirable, in new proceedings.

D.99-12-046 provided that proposals to eliminate the competitive advantage of incumbent utilities with regard to new meter installations should be reviewed in this proceeding. Those recommending continued consideration of such proposals in this proceeding should address in their comments the extent to which the Commission's current rulemaking on policies for advance metering (R.02-06-001) is addressing the same or similar issues.

**IT IS RULED** that comments regarding the disposition of this proceeding may be filed by applicants and are due on November 8, 2002. Comments may be filed by other parties and are due November 22, 2002.

Dated October 18, 2002, at San Francisco, California.

/s/ MARK S. WETZELL

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Mark S. Wetzell

Administrative Law Judge

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Disposition of Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated October 18, 2002, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.